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TAGS: [ECON](#) [EAID](#) [ETRD](#) [ENRG](#) [GR](#)

SUBJECT: GREECE???"New Directions in the U.S-Greece Economic Relationship" U.S.- Greece Economic and Commercial Cooperation Commission Meeting, March 17-19, 2010

STATE for EEB/CBA - Hariton

STATE for S/EEE - Neff

STATE pass to USAID

STATE pass to EPA

Commerce for ITA/MAC - Hilleary Smith

This is an action cable. See paras 1-2.

¶1. Post is seeking to recruit senior level Administration officials to participate in a mid-March (likely March 17-19) strategic economic dialogue with Greek counterparts. The United States-Greece Economic and Commercial Cooperation Commission (ECCC) re-established in 2007 to channel senior dialogue on key bilateral and regional economic and financial issues, has taken on added urgency with Greece's budget deficit crisis and a new Greek government's major initiatives to both restructure the country's post WWII economic framework and inject badly needed transparency into government operations.

¶2. Post requests Department assistance in reaching out to Departments of Commerce, Energy, Treasury, USAID, Small Business Administration, and the Environmental Protection Agency, to apprise them of the ECCC's goals (detailed below) and the critical role their principals can play in shaping a new Greek economy while advancing key U.S. foreign policy and trade objectives.

¶3. Greek Prime Minister Papandreou's explicit acknowledgement that his country must drastically and quickly reform its economy, as well as Greece's desire for increased international trade and investment, create new opportunities for diversifying and building the United States-Greece economic relationship. With the new Greek government's focus on economic reform, innovation, e-government, and the "greening" of the economy, we have an almost unique opportunity to advance our mutual objectives, expand U.S. exports of goods and services, and help Greece become a stronger, more stable and prosperous partner in the region and beyond. Greece has recently partnered with the United States on major projects for women's education and potable water in Afghanistan and is seeking further opportunities to link on projects in this area and others.

¶4. Greek officials have shown strong interest in scientific

exchange, particularly as it relates to innovative and "green" technologies (renewable), and in making the structural reforms to create a more business-friendly environment and to promote foreign direct investment. For U.S. exporters of goods and services, as well as current and potential investors, the ECCC represents the kind of commercial diplomacy that can support President Obama's recently-announced "National Export Initiative" to expand U.S. exports two-fold over five years.

¶5. In addition to the strategic dialogue economic issues, ECCC participants will:

- * Explore a new export initiative, focusing on innovation, "green" energy, environmental technologies, IT/software and security/safety of borders/airports/ports;

- * Establish increased partnership between USAID and Hellenic Aid focused in key areas, including Afghanistan and the Western Balkans;

- * Identify concrete initiatives to improve intellectual property protection and enforcement;

- * Discuss the negative impact and credibility gap when Greek government financial obligations, such as pharmaceutical and medical device debts, go unpaid;

- * Identify opportunities for cooperation in renewable

energy, energy efficiency, and border security;

- * Seek opportunities to increase activity under the bilateral S&T agreement, including expanding scientific exchanges and joint R&D projects;

- * Share best practices on e-governance and explore a U.S.-Greek partnership in Greece;

- * Support Greece's role as a gas/oil transit country, to enhance energy security for Europe by diversifying its sources and routes;

- * Discuss Greek government procurement practices to boost opportunities for U.S. firms.

¶6. The Greek government is hosting this year's ECCC and is proposing a two-day session with one day focused on government-to-government issues and one half-day devoted to private sector themes.

¶7. For the government-to-government dialogue, senior officials from a cross section of government agencies in both countries will share views, define clear objectives for cooperation, and agree on concrete strategies to achieve those objectives. To ensure the fullest range of detailed discussions, topic-focused working groups led by responsible agencies may be set up to report conclusions to a plenary.

¶8. Potential events for the ECCC private sector element include:

- * Meeting with senior Greek officials on the latest developments on Greece's economic stability program and engagement with the European Union.

- * Meeting with Greek business leaders and industrialists,

hosted by SEV, to hear views on what reforms are/should be addressed and which sectors should be highlighted for economic development.

* Meeting with U.S. business community in Greece, hosted by the American-Hellenic Chamber of Commerce in Greece, to hear about challenges and opportunities in the marketplace.

* Roundtables, organized by business sector or topic, with American and Greek business representatives speaking candidly to Greek and U.S. government officials about opportunities for, and challenges to, investing/doing business in Greece.

19. Post envisions the ECCC agenda unfolding thus:

1. Opening Plenary Session: Delegation leaders from the Ministry of Foreign Affairs (possibly Deputy Foreign Minister Kouvelis) and Departments of State and Commerce set the objectives and framework for the day's work. Press coverage; photo spray at the top.

II. Single Discussion or Concurrent Working Discussions - Morning (no press)

Global Macro-Economic Trends: Discussion of current trends in the global economy and their impact on Greece's economy and private business. U.S. side could share Obama Administration priorities for and paths to economic recovery; Greek side could discuss challenges with budget deficit and economic reform. (U.S. Treasury

and Greek Finance and Economy Ministries)

Energy Diversification and Efficiency: Review of Greece's domestic energy needs and ways to encourage foreign and domestic investment in the energy sector, while increasing the efficiency and environmental friendliness of energy use. Explore opportunities for joint cooperation in the field of renewable energy, particularly photovoltaic and wind technologies. Greece's role as a transit country for regional oil and gas projects, as well as the policy tools for accomplishing this, should also be discussed. (U.S. Department of Energy, State EEB/CBA, Ambassador Morningstar's office, and Greek Ministry of Environment, Energy and Climate Change.)

E-Governance and Transparency: Discuss the Greek government's desire to introduce e-governance throughout a broad swath of public institutions (including the Ministries of Finance, Health, Economy, Justice, and Citizens' Protection), helping to increase transparency and reduce bureaucracy. Explore opportunities for sharing U.S. best practices on e-governance. Discuss possible e-governance technical assistance to improve efficiency and effectiveness of Greek government systems, such as tax collection. (Greek Finance and Economy Ministries, U.S. Department of State, and U.S. Treasury)

III. Delegation Lunch

IV. Single Discussion or Concurrent Working Discussions - Afternoon
(no press)

Building an Innovative Economy: Discussion of the elements of a knowledge-based, internationally competitive economy, including topics like rule of law, intellectual property protection and enforcement, educational flexibility, access to credit and investment by start-up companies and SME's, and the role of governments in providing basic regulatory, telecommunications, and transportation infrastructure. (U.S. Department of State and Greek Ministry of Economy)

Business Partnerships Around the Globe: Discussion of the potential for business and other economic cooperation in third markets during which we should identify markets with potential for cooperation and discuss mechanisms for increasing cooperation with the business sector. A potential for follow-on cooperation between SEV and the U.S.-Hellenic Chamber of Commerce with their Balkan and Eastern Mediterranean counterparts is possible. (Ministry of Economy, Competitiveness, and Shipping, and Department of State.)

Development Assistance Cooperation in Emerging Democracies: Discussion of the potential for Hellenic Aid to participate in the development, capacity building, and reconstruction of fragile states, such as Afghanistan, Western Balkan and Sub-Saharan nations. Explore opportunities for collaboration between Hellenic Aid and USAID in Greece's target countries. (USAID and Hellenic Aid.)

IV. Concluding Plenary Session: Leaders of the working sessions report their conclusions back to the plenary group, and assemble a consolidated list of conclusions and recommendations, which will form the basis of an "Action Plan" to be finalized shortly thereafter and published on each country's respective public websites. The Action Plan will guide the ECCC's work for the coming year, providing concrete benchmarks and forming the basis of a report card. Approval of press statement. (no press)

VI.

VI. Meeting with Prime Minister (and Foreign Minister) Papandreou and/or Deputy Foreign Minister Kouvelis: Heads of Delegation

report to the senior political leadership on the day's discussions and conclusions.

VII. Statements to Press and Questions and Answers: Heads of delegation hold a press conference to report to the Greek, U.S., and international press, as well as to the private sector, on the conclusions and recommendations developed during the day's meetings.

VIII. Reception/Dinner (government delegations and private sector representatives)
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